



Health care job sector on growth spurt

41,700 people in Del. work in the industry

By GARY HABER, The News Journal
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Health care employment in Delaware has been booming at the same time Delaware continues to hemorrhage jobs in other sectors.

Most recently, Wilmington Hospital said it plans to add as many as 600 jobs over the next five years as part of a \$205 million expansion -- just the latest example of how health care has become a healthy part of Delaware's economy.

But news from other sectors has been bad. In 2009, Chrysler plans to shut its Newark auto assembly plant, which employs about 1,100 people. General Motors hasn't announced any production plans for its plant in Newport beyond 2011, calling into question the future of the plant, which employs 1,530 workers. And Bank of America, one of the state's largest private employers, has trimmed at least 3,100 people from its Delaware work force.

Health care, which includes everything from doctors to workers who enter medical records into a hospital's computer system, now accounts for 41,700 jobs in this state, according to Moody's Economy.com.

Nearly one in 10 non-farm jobs in Delaware is in the health care field, the West Chester-based economic consulting firm said.

Between October 2006 and October 2007, Delaware had a net gain of 1,600 jobs in education and health, more than any other sector of the state's economy, according to the Delaware Department of Labor's Monthly Labor Review for October. The state lost 2,700 manufacturing jobs over the same period.

Education and health, which employs 58,500 Delawareans, now accounts for 13 percent of non-farm employment in Delaware, fourth behind only trade, transportation and utilities (18 percent), professional and business services (14 percent) and government (14 percent), according to the labor department.

With a work force of 10,369 people, Christiana Care, which owns and operates Wilmington and Christiana hospitals, is the biggest private employer in the state.

In the past five years alone, Delaware has added 6,800 health care jobs -- a 19 percent increase. Looking back over the past decade, the number has climbed by 39 percent, an increase of 11,700 jobs.

The past decade's growth spurt is the equivalent of attracting two companies the size of AstraZeneca -- which employs about 5,000 people in Delaware -- with plenty of room to spare.

The job growth isn't confined to Wilmington Hospital.

At Alfred I. duPont Hospital for Children, for example, an expanded pediatric cancer research program will recruit as many as 50 researchers in the next several years, officials said.

A.I. duPont also has hired information technology workers to handle electronic medical records, and is ramping up hiring of nurses and other caregivers to staff expanded neonatal and intensive care units, said Tom Ferry, the hospital's chief executive officer.

"The business of health care is growing," Ferry said.

And the job boom isn't expected to stop any time soon.

Moody's Economy.com forecasts that in the next 10 years, health care employment in Delaware will rise by 31 percent, to 54,600 jobs by 2017.

Jobs in health care pay better than the state average -- \$47,817 compared with an average of \$46,285 for all public and private sector workers -- making them the kind of jobs state economic development officials want to attract.

"They're good jobs for Delawareans," said Judy McKinney-Cherry, director of the Delaware Economic Development Office. "It's important from an overall economic development perspective."

Hospital-based jobs make up about half of health care employment in the state, and a recent study by the Delaware Healthcare Association found just how powerful an economic engine they are.

In its first-ever report, the association, which represents Delaware hospitals, found that hospitals employed more than 20,000 people here last year, at a total payroll of more than \$969 million.

Add in state, local and federal taxes and Delaware's hospitals pumped almost \$1.9 billion into Delaware's economy, the group said.

What's driving the growth?

Experts attribute the rise to greater demand for medical services from aging baby boomers, retirees already here and the influx of retirees who have moved to Delaware from other states.

"A lot of this is to keep up with the increasing population, and the increasing older population," said Wayne Smith, the Delaware Healthcare Association's president and CEO.

"I don't want to say there are unlimited opportunities, but for anyone who wants to be a nurse, and meets the qualifications, there's a job out there for them," said Connie Bushey, director of the Beebe School of Nursing at Beebe Medical Center in Lewes.

The average age of students enrolled in Beebe's two-year program is around 27, and most students are going into nursing from other careers, Bushey said.

Filling a looming nursing shortage is crucial. The high quality of medical care available throughout Delaware is a major personal reason why retirees and others choose to move here, said McKinney-Cherry, DEDO's director.

"We have multiple organizations that provide exemplary service," she said. "I don't have to sell this, because it's self-evident that we're very strong."

Partnerships with hospitals

Can a strong health care economy help attract other types of businesses?

Dennis Donovan, a principal at Wadley-Donovan-Gutshaw Consulting in Bridgewater, N.J., and an expert in corporate site selection, says that the quality and availability of health care isn't an important consideration from a company's perspective.

"I don't know that it would drive a relocation decision for many companies," Donovan said. If employers are looking at major metropolitan areas, they presume that top-quality hospitals are a given, he said.

Where hospitals do play an important role in economic development, Donovan said, is when it comes to attracting biotechnology and pharmaceutical companies, and medical device manufacturers.

These types of companies look to partner with hospitals on medical research and clinical trials, he said, pointing to Boston and Philadelphia as two cities that have benefited from a surplus of top hospitals.

Proximity to those hospitals is one reason why biotech companies have clustered around greater Boston and pharmaceutical companies in the Philadelphia area, he said.

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